

Internal Revenue Service

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Department of the Treasury

Washington, DC 20224

Third Party Communication: None

Date of Communication: Not Applicable

Person To Contact:

, ID No.

Telephone Number:

Refer Reply To:

CC:FIP:B05

PLR-144749-07

Date:

October 29, 2007

Corporation =

Organization 1 Bonds =

Organization 2 Bonds =

Dear :

Letter Ruling 200403095 issued to Corporation on September 30, 2003, granted the Corporation the ability under § 1.148-4(a) of the Income Tax Regulations, to compute single yields on the Organization 1 Bonds and the Organization 2 Bonds, respectively, for purposes of section 148 of the Internal Revenue Code. Since issuing that letter, the Treasury and the Internal Revenue Service have determined that the provision in § 1.148-4(a) granting the Secretary authority to permit single yield computations should

be eliminated because in its current form it does not have sufficient safeguards against transactions that are inconsistent with section 148. See, Notice of Proposed Rulemaking and Notice of Public Hearing, 72 FR 54606-01, September 26, 2007. Consistent with that decision, we have determined that LTR 200403095 should be retroactively revoked as of September 30, 2003, and after that date may not be relied on by Corporation unless Corporation obtains relief as described below.

Ordinarily, the revocation of a letter ruling is effective as the date of its issuance; however, section 11.11 of Rev. Proc. 2007-1 provides that under certain circumstances, this retroactive effect may be limited. If you wish to limit the retroactive effect of this revocation, please follow the procedures described in section 11.11 to request relief under § 7805(b) of the Code.

This letter does not constitute an adverse letter ruling with respect to the above issues; nevertheless, you may request a conference to discuss this matter further. In accordance with the Power of Attorney currently on file with the Internal Revenue Service, we are sending a copy of this letter to your authorized representatives.

Sincerely,

Financial Institutions & Products

By _____
Timothy L. Jones
Senior Counsel,